

**ADMINISTRATIVE ORDER NUMBER 2019-005-ADM
RESPECTING THE ESTABLISHMENT AND USE OF COMMUNITY AREA RATES IN
THE HALIFAX REGIONAL MUNICIPALITY**

WHEREAS subsection 96(1) of the *Halifax Regional Municipality Charter* permits the Council of the Municipality to spend money in an area, or for the benefit of an area, for any purpose for which the Municipality may expend funds or borrow;

AND WHEREAS subsection 96(2) of the *Halifax Regional Municipality Charter* permits the Council of the Municipality to recover annually from the area the amount required or as much of that sum as the Council considers advisable to collect in any one fiscal year by an area rate of so much on the dollar of the assessed value of the taxable property or occupancy assessments in the area;

AND WHEREAS subsection 96(4) of the *Halifax Regional Municipality Charter* permits the Council to levy a uniform charge on each taxable property assessment or each dwelling unit in the area, in lieu of levying an area rate;

AND WHEREAS Regional Council wishes to promote transparency, clear accountability between the public and community associations, and effective governance;

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality under the authority of the *Halifax Regional Municipality Charter*, as follows:

Short Title

1. This Administrative Order may be known as the *Community Area Rates Administrative Order*.

Interpretation

2. In this Administrative Order,
 - (a) “area rate” means an area rate set pursuant to subsection 96(2) of the HRM Charter;
 - (b) “community organization” means a community group incorporated as a society pursuant to the *Societies Act*, R.S.N.S. 1989, c. 42, as amended;
 - (c) “contribution agreement” means an agreement that outlines the amount, purpose, conditions, duration and any other terms for a transfer of funds or a grant;
 - (d) “Council” means the Council of the Halifax Regional Municipality;
 - (e) “HRM Charter” means the *Halifax Regional Municipality Charter*, S.N.S. 2008, c. 39, as amended;
 - (f) “Municipality” means the Halifax Regional Municipality;
 - (g) “rate” means an area rate or uniform charge for local community recreation or sidewalks;
 - (h) “staff” means staff of the Municipality’s Finance Department; and
 - (i) “uniform charge” means a uniform charge levied pursuant to subsection 96(4) of the HRM Charter.

Purpose

3. The purpose of this Administrative Order is to establish criteria for the creation of rates that support local community recreation activities or sidewalks and are requested by a community, and to establish a framework for the use of the monies raised by the rate.

General Provisions

4. Unless otherwise stated, a uniform charge under this Administrative Order is levied on each taxable property assessment in the catchment area.

5. Council delegates to the Chief Financial Officer the ability to create procedures to support the administration of rates under this Administrative Order and to enter into a Contribution Agreement in accordance with section 31.

6. Nothing in this Administrative Order requires Council to pass a rate, pass a rate at a certain amount, or restricts Council's ability to impose, set, charge, or terminate a rate.

7. For greater certainty, this Administrative Order does not apply to rates imposed by Council for private roads in accordance with Administrative Order 2018-003-ADM, Respecting Private Road Maintenance, or for business improvement districts in accordance with Administrative Order 47, the Business Improvement District Administrative Order.

Part I – Establishment of Community Rates

Establishment of Community Rates

8. A community organization may submit a proposal to the Municipality for the establishment of a rate in its community during the Municipality's annual business plan process.

9. The proposal shall include:

- (a) the purpose for which the rate is to be established;
- (b) the anticipated duration of time during which the rate will be applied;
- (c) the proposed amount of the rate;
- (d) the method by which the rate is proposed to be levied, which shall be as a uniform charge by dwelling unit or by taxable property assessment in the catchment area;
- (e) the proposed catchment area for the rate boundary and an explanation as to why that boundary is appropriate; and
- (f) a proposed financial plan for the use of the funds, including:
 - (i) how the funds will be expended; and
 - (ii) any other sources of revenue to be combined with the funds.

10. Upon receiving a proposal for a rate from a community organization, staff shall:

- (a) review the proposal for completeness;
- (b) confirm that the proposal complies with this Administrative Order including, as applicable, sub-section 33(2);

- (c) conduct public consultation in the area affected by the proposed rate; and
- (d) prepare a report to Regional Council.

Public Consultation

11. Staff shall conduct public consultation prior to the:
 - (a) proposal for a rate being forwarded to Council; or
 - (b) where section 19 applies, prior to a change of the rate being forwarded to Council.
12. The Chief Financial Officer for the Municipality shall establish a procedure for conducting public consultation.
13. The report to Council shall include the process used for public consultation and the results thereof.

Rate Imposed by Council

14. Council may accept, decline, or modify the proposal for a rate, and may impose conditions on the expenditure thereof.
15. The area will be set annually by resolution of Council, at its sole discretion, pursuant to the *HRM Charter*.
16. Approval of a rate for a subsequent taxation year is at the discretion of the Council.
17. The rate set by Council shall be sufficient to meet the proposed budget.

Part II – Renewal of Community Rates

18. (1) The community organization shall submit to staff annually:
 - (a) an annual business plan; and
 - (b) a detailed budget.

(2) Where Council has approved the rate for fiscal year in advance of the submission of the annual business plan and detailed budget, the CAO or their designate may withhold funds from the community organization until such time as they are submitted to staff.

(3) Where subsection 2 applies, Council may adjust the previously approved rate in accordance with the business plan and detailed budget.
19. Where a community organization proposes a change to items listed in clauses 9(a), (b), (d) or (e) or an increase to item 9(c), additional public consultation shall be required.
20. Once a rate has come to the end of its duration as set out in the community organization's proposal as required by section 9, the community organization may submit a new proposal and follow the process set out in this Administrative Order for the establishment of a community rate.

Part III - Governance

Eligibility

21. To be eligible to submit a proposal for a rate, the community organization shall be a non-profit organization, incorporated under the *Societies Act*, R.S.N.S. 1989, c. 435.

Membership

22. All owners of property subject to the rate shall be eligible for membership in the community organization.

23. All members of the community organization shall be entitled to vote.

Meetings

24. Meetings of the community organization that relate to the rate shall be open to any member of the public.

25. Minutes of meetings that relate to the rate shall be available to any member of the public.

26. The community organization shall hold an annual meeting, at which meeting the majority of the members present shall review and approve the annual budget plan and detailed budget for the rate for the following year.

27. Any changes to the amount of the rate requested by the community organization requires majority approval at the annual meeting, or at a special meeting of the community organization that is called to determine the level of support for the rate.

28. The community organization may, by special meeting or at the annual meeting, elect to request that Council terminate the rate, and Council may consider such request.

Reporting and Procedures

29. The community organization shall provide to the Municipality annually its financial statements and an accounting for the funds expended from the rate.

30. The community organization shall comply with all required financial procedures as established for it by the Municipality.

Contribution Agreement

31. (1) A contribution agreement may be negotiated and executed by the Chief Financial Officer on behalf of the Municipality.

(2) A contribution agreement shall include provisions respecting:

(a) the payment and the acceptable uses of funds by the community organization; and

(b) whether advance payment of funds may be made by the Municipality to the community organization after Council has adopted its budget.

Part IV– Expenditure of Funds

Approved Uses of Rate Funds

32. A rate administered under this Administrative Order shall be spent for the benefit of the area for which it is collected.

33. (1) Subject to section 32, rate funds may be used for:

(a) community events;

- (b) community accessories, including signage, picnic tables, benches, and garbage cans;
- (c) community beautification and clean-up;
- (d) maintenance of recreation infrastructure, including local recreational infrastructure on municipal lands where the maintenance is procured directly by the Municipality;
- (e) recreation and leisure costs, including programming and equipment;
- (f) establishment and maintenance of seasonal recreation infrastructure such as outdoor skating rinks;
- (g) operation of small, local community centres;
- (h) grants where there is a contribution agreement in place between the community organization and a non-profit organization to provide for items (a) through (g), provided that such an agreement is approved by Council, unless:
 - (i) the amount of the grant to the non-profit organization is two thousand dollars or less; and
 - (ii) the cumulative grants that have been provided to the non-profit organization in the current fiscal year is four thousand dollars or less,

in which case no contribution agreement is required;

- (i) subject to subsection (2), construction or enhancement of
 - (i) local recreational infrastructure on municipal land including parks, trails, sport fields, play lawns, playgrounds, landscaping, paths and trails, and related accessories; or,
 - (ii) sidewalks outside of the Urban Area as established by Council; and
- (j) administrative costs associated with items (a) to (i).

(2) Funds used for those items listed in subsection (1)(i) may only be used if the following conditions have been met:

- (a) a needs assessment completed or approved by the appropriate business unit supports the proposed infrastructure;
- (b) the proposed siting for such infrastructure is suitable;
- (c) there is a maintenance plan, including identification of any annual funding;
- (d) the proposed infrastructure is procured directly by the Municipality;
- (e) Council has approved the project in the Municipality's capital budget; and
- (f) the expenditure conforms to the Municipality's procedures for capital budget expenditures.

Covid-19

33A. Notwithstanding the purpose and sections 33 and 34 of this Administrative Order, for the 2020-2021 fiscal year, grants may be provided by the community organization without a contribution agreement or approval of Council if:

- (a) the cumulative amounts of the grants do not exceed \$5,000; and
- (b) the recipient of each grant is either a non-profit organization registered with the Registry of Joint Stock Companies, or a registered Canadian charitable organization.

Prohibited Uses of Rate Funds

34. Rate funds shall not be used for the following:

- (a) the purchase of real property;
- (b) infrastructure and activities that are generally not open or of benefit to the public;
- (c) regional infrastructure, including community centres and other facilities that are designed to attract individuals from outside the area rate's catchment area;
- (d) construction of indoor recreation facilities, including ice rinks and gymnasias;
- (e) political activity; and
- (f) grants to individuals and businesses.

Disbursement of Rate Funds

35. (1) Subject to subsection (2), funds collected by the Municipality shall be disbursed to the community organization by payment of invoices for expenses incurred by the community organization in accordance with this Administrative Order.

(2) Advance payment of funds may be made to the community organization if such payments are permitted in the Contribution Agreement.

Use of Surplus upon Wind-up

36. Notwithstanding section 33, if the rate applicable to the community organization rate is not renewed by Council and the organization has a surplus at the end of its last fiscal year, the organization may recommend Council use the surplus funds:

- (a) to contribute to a municipal service or capital project in the area;
- (b) to be used for future maintenance of any public asset it has been used to construct; or
- (c) any other expenditure that benefits the area for which the funds were collected.

Transition and Repeal

37. The Recreation Area Rate Policy adopted by Council on December 12, 2000, and the Interim Area Rate Guidelines adopted by Regional Council on January 11, 2000, and all amendments thereto, are repealed.

38. (1) Rates established under the Recreation Area Rate Policy and the Interim Area Rate Guidelines, or previously, continue in effect unless otherwise directed by Council.

(2) Subject to direction by resolution of Council, such rates are not required to follow the process to be established as set out in Part I of this Administrative Order.

(3) Such rates shall be required to comply with the remainder of this Administrative Order.

39. This Administrative Order shall come into force on September 1, 2019.

Done and passed in Council this 13th day of August, 2019.

Mayor

Municipal Clerk

I, Kevin Arjoon, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above-noted Administrative Order was passed at a meeting of Halifax Regional Council held on August 13, 2019.

Kevin Arjoon, Municipal Clerk

Notice of Motion: July 16, 2019
Approval: August 13, 2019
Effective Date: September 1, 2019

Amendment #1 (add Section 33A)

Notice of Motion: September 1, 2020
Approval: September 22, 2020

Amendment #2 – amendments to s.18

Notice of Motion: May 3, 2022
Approval: May 17, 2022
